

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MIKE)	CASE NO. 93-400-B
LITTLE GAS COMPANY, INC.)	

O R D E R

On December 17, 1993, in Case No. 93-400 the Commission approved the merger of Elzie Neeley Gas Company, Inc. ("Elzie Neeley") and Phelps Gas Company, Inc. ("Phelps") into Mike Little Gas Company, Inc. ("Mike Little") and provided for the adjustment of rates of the merged companies on a quarterly basis in accordance with Mike Little's gas cost adjustment ("GCA") clause.

On March 29, 1994, Mike Little filed its GCA to be effective May 1, 1994 until July 31, 1994.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Mike Little's notice proposed revised rates designed to pass on its expected wholesale decrease in gas cost to its customers. Since the date of its filing, this Commission has approved revised rates for one of Mike Little's suppliers, Columbia Gas of Kentucky, Inc. ("Columbia") effective April 7, 1994.¹ Using

¹ Case No. 90-063-K, The Notice of Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc., Order dated April 7, 1994.

Columbia's revised Intrastate Utility Service rate produces an expected gas cost ("EGC") of \$4.0634 per Mcf.

2. The notice set out no refund adjustment.

3. The notice set out a current quarter actual adjustment ("AA") of (.08) cent per Mcf to return over-recovered gas cost from November and December 1993 and January 1994. The proposed total AA of .71 cent per Mcf reflects only the net under-recovery of the combined system. Remaining AAs of the individual companies are set out separately and will be added to the rates of the three system segments as separate components of their rates until they expire.

4. These adjustments produce a gas cost recovery rate ("GCR") of \$4.0705, 5.47 cents per Mcf less than the prior rate. The GCR shall be applied to the base rates of the three system segments that existed before the merger.

5. The rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be effective for gas supplied on and after May 1, 1994.

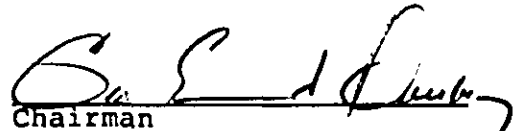
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after May 1, 1994.

2. Within 30 days of the date of this Order, Mike Little shall file with this Commission its revised tariffs setting out the rates authorized in this order.

Done at Frankfort, Kentucky, this 29th day of April, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-400-B DATED APRIL 29, 1994.

The following rates and charges are prescribed for the customers in the area served by Mike Little Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES FOR CUSTOMERS SERVED BY MIKE LITTLE GAS COMPANY

Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Remaining ACA Rate</u>	<u>Total</u>
First 1 Mcf - Minimum Bill	\$2.8211	\$4.0705	\$.2118	\$7.1034
Over 1 Mcf	2.6040	4.0705	.2118	6.8863

RATES FOR CUSTOMERS FORMERLY SERVED BY ELZIE NEELEY GAS COMPANY

Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Remaining ACA Rate</u>	<u>Total</u>
First 1 Mcf - Minimum Bill	\$3.4984	\$4.0705	\$.0254	\$7.5943
Over 1 Mcf	2.4658	4.0705	.0254	6.5617

RATES FOR CUSTOMERS FORMERLY SERVED BY PHELPS GAS COMPANY

Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Remaining ACA Rate</u>	<u>Total</u>
First 1 Mcf - Minimum Bill	\$4.3971	\$4.0705	\$.0101	\$8.4777
Over 1 Mcf	2.7670	4.0705	.0101	6.8476